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REPORT ECONOMIC SITUATION DEPLORABLE;
REVEAL SOVIET ACTIVITIES

STRESS INDUSTRIALIZATION -- To Vima, No 1350, 4 Oct 49

Information on the economic situation in Albania has been disclosed by a diplomat from behind the Iron Curtain who recently fled to Switzerland and is now in Geneva. The following is a summary of his report:

The economic situation and living standards in Albania are at present very deplorable. On the basis of the Communist economic program, property expropriations were carried out without any plan or method. The state has benefited and become more wealthy from this expropriation of large property areas. It has organized agricultural stations at Sukth and Kam near Tirana. The state has also expropriated livestock and here again has benefited. At first it was determined that only those who had more than 400 animals would give part of them to the state. However, there were many cases where persons who were not looked upon favorably by the Communists and by the regime and who had only about 150 animals were obliged to hand over 130 of these animals to the state and thus keep only 20 for themselves.

Petroleum, alcohol, soap, salt, and, on rare occasions, clothing and shoes are sold in the cooperatives. Vegetables are obtainable on the free market. However, distribution of these goods from cooperatives is possible by currency transactions by officers of the Albanian army and loyal Communist Party members only. Farmers and the remaining population are forced to barter agricultural and livestock products to obtain the above goods.

The wages of employees and laborers are very low in comparison with the cost of living. The highest daily wage is 90 to 100 leks. The working day consists of 8 hours. However, the Communist propaganda system incites the laborers to work usually 2 to 3 hours over the authorized limit.

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Prices of certain goods are as follows: potatoes, available at cooperatives, cost 12 leks an oka; eggs 15 leks each; cigars 20 leks a package; cherries 90 leks an oka. No oil, cheese, butter, or lard is available. However, these products are obtainable on the black market. Wheat is available only on the black market.

The Albanian regime is putting great stress on industrial development. With the advice and counsel of Russian technicians attempts have been made to exploit the productive resources of Albania. Sugar beet factories now exist at Korce and Maliq but are not yet fully completed. A textile factory is being built between Tirana and Keshar. An unassembled steel plant obtained from German war reparations has been set up near Tirana where it manufactures tools. A tanning factory is located at Durres and an asphalt factory at Valona. Copper and chrome mines are located at Rubig. There are no munitions factories. About 40 students of the technical school of Tirana have been sent to study methods of manufacturing war equipment in the USSR.

Roads are being constructed in Albania by forced labor of Albanian youth. Already roads have been prepared from Berat to Corovode, from Kerdhiqit to Skrifita [transliteration of Greek name], and from Peshkopi to Kukes. However, these roads are in bad condition even though they are considered national arteries. The roads are barely wide enough to accommodate two-way traffic. There are only a very few private vehicles since the majority have been taken over by the state. Most of these are old model Italian Fiats and Czech Skodas.

There are only two railroad lines, running from Durres to Tirana and from Durres to Peking. Another is being built from Tirana to Keshar. The rolling stock consists of 40 cars and two steam engines of Yugoslav make.

Communications along the Albanian coast are by motor launch only.

An airport is located at Tirana, and auxiliary airports are located at Korce, Valona, and Gjinokaster.

USSR USING ALBANIA AS MILITARY BASE -- To Vima, No 1350, 4 Oct 49

London -- The Athens correspondent of the Sunday Chronicle reports that the USSR is using Albania as a vast military base. For 6 months or more, Cominform ships have been unloading war materiel, including tanks and aircraft, in Albania. The ships were loaded in Soviet bases of the Black and Baltic seas. Convoys of 400 trucks carry the supplies to 14 principal centers in the Albanian interior. During the past year three main roads running toward the Greek frontiers were developed. After the recent defeat of the Communists in Greece the Russians turned their attention to similar roads running toward Yugoslavia.

The Soviet military and economic mission in Albania is estimated at 3,000 to 10,000 uniformed officers. Soviet officers from the rank of major and above direct the Albanian army. Soviet technicians supervise the chrome and copper mines and oil wells. Soviet advisers control all the ministries and government services. -- A. Dhimakos.

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